TENNESSEE WASTEWATER SYSTEMS, INC. A PUBLIC UTILITY CO.

August 9, 2006

Honorable Sara Kyle
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

06-00204

RE: Petition to amend Certificate of Convenience and Necessity

Dear Chairman Kyle:

Tennessee Wastewater Systems, Inc. desires to expand its service area to include a portion of Blount County in Tennessee, known as Sharondel Estates. The attached Petition is in support of our request.

Sincerely,

Charles Pickney, Jr., President Tennessee Wastewater Systems, Inc.

7638 River Road Pike Nashville TN 37209-5733 (615) 356-2880 Fax (615) 356-7295

BEFORE THE TENNESSEE REGULATORY AUTHORITY NASHVILLE, TENNESSEE

IN RE:	PETITION OF TENNESSEE WASTEWATER SYSTEMS, INC. TO AMEND ITS CERTIFICATE OF CONVENIENCE AND NECESSITY			
DO	CKET No			
	Petition of Tennessee Wastewater Systems, Inc. To amend its Certificate of Convenience and Necessity			

Tennessee Wastewater Systems, Inc. ("TWS") petitions the Tennessee Regulatory Authority ("TRA") to amend TWS's Certificate of Convenience and Necessity to expand its service area to include a portion of Blount County known as Sharondel Estates. The project is located off of Morgantown Road in Blount County. The property includes parcel 9 and is shown in yellow on the enclosed Tax Map 99 (see attached "Exhibit A"). This development encompasses approximately 50 acres.

We are proposing to provide wastewater service to approximately 60 residential and commercial lots at Sharondel Estates. The wastewater system will be designed and constructed to serve 60 lots (approximately 15,000 gallons per day) and can be expanded if needed. The TDEC application for a permit is being prepared. No contracts have been signed at this point. It is the intention of the parties that TWS will own the collection, treatment, and dispersal system and will own a permanent easement on the property that the system occupies.

Also enclosed, are letters from the Blount County Mayor, the City of Maryville, and South Blount County Utility District stipulating that none of these entities will provide sewer service for this parcel. We have also enclosed a letter from the developers, Mark Ivens and Ronnie Ratledge, requesting TWS to be the public sewer utility provider for the project.

After approval, the construction of the system, which is comprised of a recirculating sand filter and subsurface drip dispersal, will take approximately 60 days to complete. The estimated value of the contribution of aid in construction is approximately \$200,000.00.

Respectfully Submitted,

Charles Pickney, Jr.
Tennessee Wastewater Systems, Inc.

	BEFORE THE TENNESSEE REGUI NASHVILLE, TENN				
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IN R	Œ:)			
PETITION OF TENNESSEE WASTEWATER) Docket No					
	TEMS, INC. TO AMEND ITS)			
	RTIFICATE OF CONVENIENCE AND)			
NEC	CESSITY)			
	SHARONDEL EST	ATES			
	PRE-FILED DIRECT TESTIMONY OF				
0		to the post of			
Q.	State your name for the record and your pos	sition with the Petitioner, Tennessee			
	Wastewater Systems, Inc.				
A.	Charles Pickney, Jr. I am the president of T	Sennessee Wastewater Systems, Inc.			
-	F	Charles Pickney, Jr. I am the president of Tennessee Wastewater Systems, Inc.			
Q.	What is the business of Tennessee Wastewar	ter Systems, Inc. (the Company)?			
A.	Providing affordable wastewater service in communities where it is presently unavailable.				
	unavanaute.				
Q.	When did the Company receive its first certi	ficate from the Authority to operate a			
	sewer system in Tennessee?	-			
	A				
A.	April 4, 1994.				
Q.	How many certificates has the Company rec	eived from the Authority to provide			
₹.	sewer service across the State of Tennessee?				
A.	Over 70.				
\circ	Will Tannassaa Wastawatan Systams aamal	with all applicable Tappages			
Q.	Will Tennessee Wastewater Systems comply Regulatory rules and regulations?	with an applicable Tellilessee			
	regulatory rules and regulations:				
A.	Tennessee Wastewater Systems will comply	with all applicable Tennessee			
	Regulatory Authority rules and regulations.				
0					
Q.	Does the Company have the management, to	_			
	provide wastewater service in the area in Blo	Dunt County sought in this Petition?			
A.	Yes.				

1					
1 2	Q. Is there a stated public need for wastewater service in this area?				
3 4 5	A. The public need for this service is reflected in the letter from the developers Mark Ivens and Ronnie Ratledge.				
6 7 8	Q.	How many customers will be served in this development?			
9 10	A.	Our company expects to serve approximately 60 residential and commercial lots.			
11 12	Q.	Does this conclude your pre-filed testimony?			
13 14 15 16 17	A.	Yes.			
19					
20 21 22 23	I sw	wear that the foregoing testimony is true and correct to the best of my knowledge.			
24 25 26 27 28 29 30 31 32 33	Pres	arles Pickney, Jr. sident unessee Wastewater Systems, Inc.			
34 35	Sub	escribed and sworn to me this 9th day of August, 2006.			
36 37	Not	ary Public Ara M. Klein			
38 39 40		te of Tennessee Introduction STATE OF TENNESSEE NOTARY PUBLIC			
41 42 43	Му	Commission Expires My Commission Expires July 25, 2009			

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the above and foregoing Pre-Filed Direct Testimony of Charles Pickney, Jr. has been served upon the Tennessee Regulatory Authority, 460 James Robertson Parkway, Nashville, TN 37243-0505 on this 9th day of August 2006 and delivered by hand.

CHARLES PICKNEY, JR.

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthly Charge
Oakwood Subdivision – Maury County – 99-00393 - Sheet 1	\$35.55
Southridge Subdivision – Montgomery County – 97-01104 - Sheet 2	\$24.24 + actual costs
Swan Harbor – Roane County – 97-01003 – Sheet 3	\$35.55
River Road Utility District – Cheatham County – 97-01394 – Sheet 4	\$31.54
Milcrofton Utility District – Williamson County – 97-01393 – Sheet 5	\$46.55
Tall Oaks Subdivision – Blount County – 98-00790 - Sheet 6	\$35.55
Yoakum Hollow Dev. (Windsor Pt) – Campbell County – 98-00881 – Sheet 7	\$35.55
Shreibman Development – Cannon County – 98-00880 – Sheet 8	\$35.55
Cornerstone of Mitchell Creek – Overton County – 99-00357 – Sheet 9	\$35.55
Bolton Area – Shelby County - 99-00724 – Sheet 10	\$32.68
Ussery #1- Sevier County – 00-00198 – Sheet 11	\$35.55
Harbor Pointe – Dekalb County – 00-00149 - Sheet 12	\$35.55
Hidden Springs Resort – Sevier County – 00-00379 - Sheet 13	\$35.55
Eagle Crest Development – Sevier County – 01-00234 – Sheet 14	\$35.55
Legacy Bay – Hawkins County – 00-00622 - Sheet 15	\$35.55
Dollywood Project (Dream Catcher Ridge) - Sevier County – 01-00424 – Sheet 1	6 \$35.55
Homestead Subdivision – Sevier County – 01-00423 – Sheet 17	\$35.55
Rice Property (Blue Water Bay) – DeKalb County – 01-00425 – Sheet 18	\$35.55

Fees: Nonpayment – 5%, Disconnection - \$10,

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Issued: Aug. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Month	ly Charge
East Stewart – Stewart County – 01-00229	Lagoon – Sheet 19 Fixed Film Treatment – Sheet 20	\$31.36 \$35.55
Eagle Springs Subdivision – Sevier County – 01-0	0445 – Sheet 21	\$35.55
Jackson Bend Subdivision – Blount County - 01-0	00221 – Sheet 22	\$35.55
Browning Subdivision – Knox County – 01-00492	- Sheet 23	\$35.55
Starr Crest II – Sevier County - 01-00755 – Sheet	24	\$35.55
City of Coopertown - Robertson County - 00-0112	Lagoon – Sheet 25 3% Fixed Film Treatment – Sheet 26	\$31.36 + Franchise fee \$35.55 + Franchise fee
Horseshoe Bend – Bedford County – 01-01025 – S	sheet 27	\$35.55
Eagle Crest II - Sevier County - 01-01128 - Sheet	: 28	\$35.55
Eagle Crest Resort – Sevier County – 01-00183 – S	Sheet 29	\$35.55
Gnatty Branch Retreat – Sevier County – 02-00055	5 – Sheet 30	\$35.55
Airbase Road Condominiums – Blount County – C	02-00478 - Sheet 31	\$35.55
Goose Creek Area -Williamson County – 02-0017	2 – Lagoon - Sheet 32 Fixed Film Treatment – Sheet 33	\$51.33 \$55.46
Falling Waters – Sevier County – 02-00782 – Shee	et 34	\$35.55
Stewart County West – Stewart County – 02-0047	7 - Sheet 35	\$35.55
Lighthouse Point Condominiums – Jefferson Coun	ty – 02-00732 – Sheet 36	\$35.55

Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Issued: Aug. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthly Charge
The Highlands – Sevier County – 02-00781 – Sheet 37	\$35.55
Highland Cove – Dekalb County – 03-00242 – Sheet 38	\$35.55
Tims Ford State Park Area-Franklin County - 03-00286 - Lagoon – Sheet 39 Fixed Film Treatment – Sheet 40	\$31.36+ bonding costs \$35.55+ bonding costs
Black Bear – Sevier County – 03-00192 – Sheet 41	\$35.55
Sunnybrook – Robertson County – 03-00307 – Sheet 42	\$35.55
Sevier County – Sevier County – 03-00045 Lagoon – Sheet 43 Fixed Film Treatment – Sheet 44	\$31.36 \$35.55
Smoky Cove Subdivision – Sevier County – 03-00377 – Sheet 45	\$35.55
King Branch Road – Sevier County – 03-00386 – Sheet 46	\$35.55
Paris Landing - Henry County - 03-00544 - Lagoon Treatment - Sheet 47 Fixed Film Treatment - Sheet 48	\$31.36 \$35.55
Walnut Grove – Giles County - 04-00054 – Sheet 49	\$35.55
Turner's Landing – Hamblen County – 04-00053 – Sheet 50	\$35.55
Spring Creek Ranch – Shelby County – 04-00123 - Sheet 51	\$35.55
Marion Womack Property (Creekview Estates) – Sumner County – 04-00170 –	- Sheet 52 \$35.55
Arbor Crest Subdivision – Davidson County – 04-00171 – Sheet 53	\$35.55
Merril Taylor Subdivision – Blount County - 04-00274 – Sheet 54	\$35.55
Black Bear Ridge Expansion – Sevier County – 04-00045 – Sheet 55	\$35.55
Fees: Nonpayment – 5%, Disconnection - \$10,	

Issued: Aug. 9, 2006

Issued By: Charles Pickney, Jr./President

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthly Charge
Legacy Laurel Branch – Sevier County – 04-00045 – Sheet 56	\$35.55
Legacy Mountain – Sevier County – 04-00045 – Sheet 57	\$35.55
Legacy the Preserve – Sevier County – 04-00045 – Sheet 58	\$35.55
Starr Crest II Phase 4 – Sevier County – 04-00045 – Sheet 59	\$35.55
Trailhead – Sevier County – 04-00045 – Sheet 60	\$35.55
Wyndsong Subdivision – Blount County – 04-00395 – Sheet 61	\$35.55
Huffines Development – Robertson County – 04-00393 – Sheet 62	\$35.55
Williamson County West - Williamson County - 04-00394-Lagoon - Sheet 6 Fixed Film Treatment - Sheet 6	
Trillium Cove Condominiums – Blount County – 05-00030 – Sheet 65	\$35.55
Marvin Keys RV Park – Cocke County – 05-00071- Sheet 66	\$35.55
Blackberry Ridge Subdivision – Bedford County – 05-00111 – Sheet 67	\$35.55
Steve Jones Subdivision – Union County – 05-00116 – Sheet 68	\$35.55
Grainger's Landing Condominiums – Grainger County – 05-00117 – Sheet 6	\$35.55
German Creek Marina and Resort – Grainger County – 05-00138 – Sheet 70	\$35.55
Smoky Village Subdivision – Sevier County - 05-00145 – Sheet 71	\$35.55
Fentress Service Area – Fentress County – 05-00162 – Lagoon – Sheet 72 Fixed Film Treatment –	\$31.36 Sheet 73 \$35.55
Emerald Pointe –Cocke County – 05-00200 – Sheet 74	\$35.55

Fees: Nonpayment – 5%, Disconnection - \$10, Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Issued: Aug. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Service Billing Summary Residential Sewer Rates

System	Monthly	Charge
Elk Springs Resort – Sevier County –05-00211 – Sheet 75		\$35.55
Cedar Hill Area – Robertson County - 05-00212 – Sheet 76		\$35.55
Brigadoon Resort – Roane County – 05-00241 – Sheet 77		\$35.55
Cross Plains – Robertson County – 05-00293 – Sheet 78	Lagoon	\$31.36
Lowe's Ferry Landing – Blount County – 05-00339 – Sheet 79		\$35.55
Riversedge Subdivision Phase II – Decatur County – 05-00340 – Sheet 80)	\$35.55
Keene's Island – Jefferson County – 06-00021 – Sheet 81		\$35.55
Sugarloaf Ridge – Sevier County – 06-00022 – Sheet 82		\$35.55
Griffitts Mill – Blount County – 06-00076 – Sheet 83		\$35.55
Parott's Bay – Jefferson County – 06-00077 – Sheet 84		\$35.55
Summit View – Sevier County – 06-00078 – Sheet 85		\$35.55
Settlers Ridge – Sevier County – 06-00081		\$35.55
Happy Creek – Sevier County – 06-00104		\$35.55
Richland – Humphreys County – 06-00179		\$35.55
East Montgomery – Montgomery County (Pending) – 06-00184		\$24.24 + Actual Costs
Providence Hills – Sevier County (Pending) – 06-00198		\$35.55
Sharondel Estates – Blount County		\$35.55

 $Fees: \ \ Nonpayment-5\%, Disconnection-\$10,$

Reconnection - \$15, Return Check - \$20, Access - \$84/yr

Issued: Aug. 9, 2006

Effective Date: Sept. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Systems with Commercial Customers

System	County
Townsend Town Square – 99-00659	Blount County
Coopertown - 00-01128	Robertson County
East Stewart – 01-00229	Stewart County
Highway 31 Project (Herndon's BP) - 01-00446	Robertson County
Lyles Texaco - 01-00756	Hickman County
Topside Business Park – 01-00220	Blount County
Stewart County West - 02-00477	Stewart County
Cedar Hill Baptist Church – 03-00287	Robertson County
Tims Ford Area – 03-00286	Franklin County
Sunnybrook - 03-00307	Robertson County
Sevier County - 03-00045	Sevier County
Smoky Cove Subdivision – 03-00377	Sevier County
King Branch Road – 03-00386	Sevier County
Weigel's Convenience Store – 03-00519	Roane County
Paris Landing Area – 03-00544	Henry County
Turner's Landing – 04-00053	Hamblen County
Spring Creek Ranch – 04-00123	Shelby County
Marion Womack Property (Creekview Estates) – 04-00170	Sumner County
Arbor Crest Subdivision – 04-00171	Davidson County
Merril Taylor Subdivision - 04-00274	Blount County
Black Bear Ridge Expansion – 04-00045	Sevier County

Issued 8-9-06

Effective Date: Sept. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Systems with Commercial Customers

System	County
Legacy Laurel Branch - 04-00045	Sevier County
Legacy Mountain – 04-00045	Sevier County
Legacy the Preserves – 04-00045	Sevier County
Starr Crest II Phase 4 – 04-00045	Sevier County
Timber Tops Rental Center – 04-00045	Sevier County
Trailhead – 04-00045	Sevier County
Wyndsong Subdivision – 04-00395	Blount County
Huffines Development – 04-00393	Robertson County
Williamson County West - 04-00394	Williamson County
Trillium Cove Condominiums – 05-00030	Blount County
Tennessee State Bank-Wears Valley Branch - 05-00042	Sevier County
Marvin Keys RV Park – 05-00071	Cocke County
Brownlee Commercial Building – 05-00078	Blount County
Grainger's Landing Condominiums – 05-00117	Grainger County
German Creek Marina and Resort – 05-00138	Grainger County
Fentress Service Area - 05-00162	Fentress County
Emerald Pointe – 05-00200	Cocke County
Elk Springs Resort – 05-00211	Sevier County
Cedar Hill Area – 05-00212	Robertson County
Brigadoon Resort 05-00241	Roane County

Issued 8-9-06

Effective Date: Sept. 9, 2006

Tennessee Wastewater Systems, Inc. Sewer Systems with Commercial Customers

System	County
Cross Plains – 05-00293	Robertson County
Keene's Island - 06-00021	Jefferson County
Sugarloaf Ridge – 06-00022	Sevier County
Summit View – 06-00078	Sevier County
Parrott's Bay -06-00077	Jefferson County
Griffitts Mill – 06-00076	Blount County
Settlers Ridge – 06-00081	Sevier County
Happy Creek – 06-00104	Sevier County
Providence Hills	Sevier County
Sharondel Estates	Blount County

Sharondel Estates Projected Subdivision Build-Out

Total # of customers

 2008
 12 customers

 2009
 24 customers

 2010
 36 customers

 2011
 48 customers

 2012
 60 customers

Estimated System Costs and Revenues for Five Years

	2008	2009	<u>2010</u>	<u>2011</u>	<u>2012</u>
Costs	7,323	14,487	21,730	28,974	35,820
Revenues	7,960	15,920	23,880	31,840	39,800

Tariff Rate Sheet

Commercial Sewer Rates – without food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$75 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$73.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$15.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

Treatment

	Drip Irrigation	Point Discharge	Off Site
Sand-Gravel Filter	\$140.00	\$165.00	N/A
Lagoon	\$116.00	\$140.00	N/A
* Off Site	N/A	N/A	Pass through costs & \$73.00

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$116.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$175.00
1,001 gallons to 2,000 gallons above expected design flow	\$200.00
Over 2,000 gallons above expected design flow	\$200.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

* Off Site means treatment and disposal by another entity such as a city or utility district

Fees: Nonpayment – 5%

Disconnection - \$10 Reconnection - \$15 Returned Check - \$20

City of Coopertown Franchise Fees: 3%

Bonding Pass-Through costs of 1.24% will be added to all commercial bills outside of

Williamson County

Issued 6-30-06

Issued by: Charles Pickney, Jr. President Effective Date: July 30, 2006

Effective Date: July 30, 2006

Tariff Rate Sheet

Commercial Sewer Rates – with food service

The monthly sewer charge per customer is based on the design daily flow expected from the type of establishment being served. A minimum of \$100 per month will be charged for up to the first 300 gallons per day of design flow expected. (Except off-site which will have a \$94.00 minimum plus pass through costs.) For each additional 100 gallons per day of design flow expected, up to a total of 1,000 gallons per day, an additional charge of \$18.00 per month per 100 gallons will be levied. For design flows expected over 1,000 gallons per day, up to 3,000 gallons per day, the following monthly charges per 1,000 gallons of daily flow will apply.

Disposal

Treatment

<u> </u>				
	Drip Irrigation	Point Discharge	Off Site	
Sand-Gravel Filter	\$170.00	\$192.00	N/A	
Lagoon	\$142.00	\$163.00	N/A	
* Off Site	N/A	N/A	Pass through costs & \$94.00	

For design daily flows over 3,000 gallons, the monthly charge on all system configurations will be \$142.00 per 1000 gallons of daily flow.

Additional surcharges will apply when customers exceed their expected design flows. For any month that a customer's water meter reading exceeds the expected design flow, the following surcharges will apply:

Excess water usage	Surcharge
1 gallon to 1,000 gallons above expected design flow	\$210.00
1,001 gallons to 2,000 gallons above expected design flow	\$220.00
Over 2,000 gallons above expected design flow	\$220.00/1000 gallons

If the water meter readings exceed the design flow for any three consecutive months, the monthly charge will be revised to reflect the increased usage and any capital costs associated with increasing the capacity of the system will be paid by the customer.

Fees: Nonpayment – 5%

Disconnection - \$10 Reconnection - \$15 Returned Check - \$20

City of Coopertown Franchise Fees: 3%

Bonding Pass-Through costs of 1.24% will be added to all commercial bills outside of

Williamson County

Issued 6-30-06

^{*} Off Site means treatment and disposal by another entity such as a city or utility district



Blount County Mayor's Office Dr. Robert L. Ramsey, Acting County Mayor 341 Court Street, Maryoille, TN 37804-5906



June 13, 2006

Mr. Michael Hines, M.S., P.E. Vice President Tennessee Wastewater Systems, Inc. P. O. Box 22771 Knoxville, TN 37933-0771

Dear Mr. Hines:

In response to your letter of June 12, 2006, Blount County has no plans to provide sewer service to the proposed Sharondel Estates (Tax Map 99, parcel #9) within the next 12 months.

Sincerely,

Dr. Robert L. Ramsey

Acting Blount County Mayor

Dr. Robert L. Ramseon

рj



Water Quality Control Department

332 Home Avenue Maryville, TN 37801 (865) 981-3300 phone (865) 981-3334 fax www.ci.maryville.tn.us

July 18, 2006

Mr. Michael Hines Tennessee Wastewater Systems P.O. Box 22771 Knoxville, TN 37933-0771

Dear Mr. Hines:

The City of Maryville has no plans to extend sewer to the area around the proposed Sharondel Estates in Blount County (Parcel 9, Tax Map 99) in the next 12 months.

Sincerely,

Jeffrey A. Rose, P.E.

Director of Water Quality Control

City of Maryville

JAR/vjm

Telephone (865) 982-3560 Fax (865) 984-8330

SOUTH BLOUNT COUNTY UTILITY DISTRICT

808 W. Lamar Alexander Pkwy. Maryville, TN 37801



June 9, 2006

Michael Hines Tennessee Wastewater Systems, Inc P.O. Box 22771 Knoxville, TN 37933

Dear Mr. Hines,

In reference to your letter concerning sewer service to Sharondale Estates in Blount County, South Blount County Utility District is not a provider of sewer service. South Blount is a water distributor only.

If you have any questions please feel free to call our office at 982-3560.

N

Henry Durant
District Manager



Michael Hines, M.S., P.E. Founding Principal Southeast Environmental Engineering, LLC 1920 Breezy Ridge Trail Concord, TN 37922

Dear Mr. Hines,

I request that Tennessee Waste Water Systems, Inc., provide public utility sewer service to Sharondel Estates Subdivision in west Blount County.

Sincerely,

Mark Ivens

Owner

Ronnie Ratledge

Owner

